Agricultural Credits—1926.

Haugen Mark Measure Is Given Approval of House

New Department Would Aid Cooperative Organizations in Disposing of Farmers' Crops.

MEASURE PROVIDES FUND OF $225,000

Applies to Products "Raised or Produced on Farms and Processed or Manufactured."

Washington, January 26.—(AP)—The house passed and sent to the senate today the first piece of agricultural legislation acted on at the present session of congress—the Haugen bill to establish a cooperative marketing division in the department of agriculture.

The measure was passed by a vote of 357 to 3. Those voting against it were: Representatives Tucker, democrat, Virginia; Tidings, democrat, Maryland; and Andrew, republican, Massachusetts.

$225,000 Appropriated.

The bill carries an appropriation of $225,000 for the first year's work of the new division, to be charged with aiding cooperative organizations in marketing crops and with disseminating information among the farmers. Sponsored by the administration, the plan was put forth not as direct farm relief, but as a program requiring time to develop, calculated to benefit many phases of agriculture.

Immediately after disposing of this measure the house took up the annual appropriation bill for the agriculture department.

Opening the general debate, Representative McGee, republican, of New York, chairman of the appropriations subcommittee that drafted the bill, protested against "squandering millions in tremendous expenditures for roads in national forests."

He explained that the subcommittee had cut the budget estimate for highways from $80,000,000 to $75,000,000 and urged that the house sustain this action. He added that he was not opposed to protecting the forests from fires or to an adequate development of roads and trails.

"But I favor local self-government as far as possible," he said. "In matters benefiting a state, the state should bear full responsibility."

Attacks Administration.

Just before passing the Haugen bill the house defeated an amendment by Representative Moore, democrat, Virginia, to permit cooperative organizations to declare dividends in excess of 8 per cent.

This stirred Representative Wingo, democrat, Arkansas, to a sharp attack on the administration.

"The vote on that amendment," he asserted, "gave us a chance to see how the republican party acts. It had a chance to aid these cooperative organizations to a greater extent than the bill provides. When are you going to quit playing politics with the farmer? When are you going to bring in a relief bill? And what kind of a bill?"

Representative Haugen, republican, Iowa, author of the cooperative bill and chairman of the agriculture committee, retorted that the committee would report relief measure as soon as possible and perhaps would require less time "if the gentlemen on the other side of the house will give us the benefit of their counsel."

Representative Kvale, farmer-labor, Minnesota, described the Haugen bill as carrying an appropriation "giving each farmer 3 cents—toward information." He added that "The Coolidge administration has labored and brought forth—not even a mouse, but perhaps a microbe that feeds on a mouse."

FARM LOAN HEAD WRITES CAPPER ON NEGRO MONEY

In reference to the recent race congress, this letter is self explantory:

Dear Senator Capper:

In answer to your favor of March 30 enclosing letter from Chas. M. Thomas relative to Negro farmer borrowers.

"The presidents of the twelve Federal Land Banks were here in session with the Farm Loan Board last week, and I took occasion to talk with them concerning the Negro borrowers of the Federal Land Banks. You learn that there are ten or twelve Negro National farm loan associations, all of them, of course, are located in the Southern states in communities where the Negro farmers predominate. The records here do not show that a charter has ever been refused a Negro farm loan association. I have not been informed that any Negro savings institutions have applied for rediscount privileges under the Intermediate Credits Act."

Association examiners are appointed by the Farm Loan Board to check up the accounts of all National farm loan associations, and to give the officers of the same instructions along the line of keeping their accounts and offering suggestions which will help them build up a strong association.

I was advised by some of the Federal Land Bank Presidents, who were here, that many of the Negro farmers of the South prefer to get their loans through associations whose business is governed by white officers.

"The Farm Loan Board has not received any complaints from Negroes who have been denied the privilege of becoming members of the local associations. This may have happened in different instances where the security offered was not sufficient to obtain a loan."

The Federal Land Banks sell a good many bonds to individual purchasers. I am advised, however, that they have made no especial effort along that line except by general advertising in the periodicals throughout the country.

"The officers of the Federal Land Banks make every effort to comply with all reasonable demands of the borrower regardless of his color. The Negro farm owner can obtain a loan from the Federal Land Bank by making his application to the National farm loan association operating in his teritory."

The Farm Loan Board employs five Negroes. Paul Jefferson, clerk, receives a salary of $1,800 per annum. The other four men are messengers and draw a salary of $1,080 each.

I trust that this letter will give the information desired by Mr. Thomas.

Very truly yours,

L. J. Pettijohn,

Member. Farm Loan Board.

GOVERNMENT WANTS TO HELP FARMERS

Auburn, Ala., May 10.—(Special.)—The government of the United States is willing to do anything that is sound and reasonable in the interest of agriculture, according to a statement made by Hon. Wm. M. Jardine, secretary of agriculture, who spent May 7 in Alabama.

The secretary visited Alabama on a trip through the south which he was making to observe, confer, and obtain information. He spoke at a meeting of farmers and farm boys at Wetumpka; again at a meeting of farmers, extension workers, and business men at Montgomery; and then made a trip by automobile to Auburn where he got a view of the college and talked with the officials. En route from Montgomery to Auburn he made a short talk at the negro school at Tuskegee.

Mr. Jardine seemed especially concerned with agricultureal legislation which he explained rather fully at both Wetumpka and Montgomery. He referred to the contending force and made the statement that the present administration is anxious to serve farmers but unwilling to do anything unless it is sound and right.

A strong endorsement of co-operation was another feature of the Secretary's talk. He bases his hopes for future progress of agriculture on co-operation, declaring that any legislation for farmers must be based upon self-help through co-operation. He explained that the Tincher bill, which he strongly favors, helps farmers to solve their own problems.

At the conclusion of the Montgomery address a resolution was passed unanimously endorsing his policies for conducting the U. S. department of agriculture, and especially his legislative policies.